

AN ORDINANCE **97317**

APPROVING A CONTRACT FOR THE ACQUISITION OF APPROXIMATELY 1,838 ACRES OF LAND FOR A PURCHASE PRICE OF NOT TO EXCEED \$16,600,000.00, TO BE USED TO MEET ECONOMIC DEVELOPMENT INCENTIVE OBLIGATIONS RELATING TO THE DEVELOPMENT OF AN AUTOMOTIVE ASSEMBLY PLANT IN THE CITY, AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE CHANGES TO THE CONTRACT AND TO EXECUTE THE CONTRACT, AND APPROPRIATING FUNDS, AND AUTHORIZING OTHER ACTIONS, AS NECESSARY; EFFECTIVE IMMEDIATELY IF PASSED BY AT LEAST EIGHT (8) VOTES.

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WHEREAS, the City of San Antonio ("City"); other governmental entities; various utility providers and the City of San Antonio, Texas, and the Starbright Industrial Development Corporation ("Corporation") have been negotiating an agreement with the Toyota Motor Manufacturing North America, Inc. ("Toyota") under which certain assistance would be provided to Toyota in development of an auto assembly facility in San Antonio; and,

WHEREAS, one portion of that agreement involves the acquisition of certain property that includes tracts totaling approximately 1,838 acres of land; and,

WHEREAS, the City desires to ensure the acquisition of the property on acceptable terms in a timely manner through an agreement with EDF TITLE HOLDING COMPANY, INC, collaterally assigned to JPMorgan Chase Bank, through TICOR TITLE AGENCY OF SAN ANTONIO, as escrow agent, and their respective assigns to purchase the property; and,

WHEREAS, City staff, the staff of the Corporation and the sellers are negotiating additional terms of the agreement pending the proposed sale of securities by the Corporation to fulfill its duties in the Economic Development Agreement between the City and the Corporation; and,

WHEREAS, the City chooses to declare its intention to reimburse itself for capital expenditures at the time it issues tax exempt obligations to finance the project; **NOW, THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or her designee is authorized to acquire the Property which consists of approximately 1,838 acres of land for a purchase price that shall not exceed \$16,600,000.00. The property is more particularly described in four tracts which are described by metes and bounds at **Exhibit A** which is attached hereto and is hereby incorporated as if it were set out verbatim.

SECTION 2. The City Manager or her designee is authorized to take such steps as may be necessary to implement this ordinance and to negotiate the final terms of the acquisition agreement.

SECTION 3. This Ordinance is also a declaration of the City's official intent to reimburse itself, from proceeds derived from the sale of Obligations to be sold by the City of San Antonio, Texas Starbright Industrial Development Corporation, for any costs incurred by the City in connection with these actions.

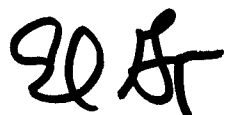
SECTION 4. The Director of Finance is authorized to take all action necessary to appropriate and encumber the necessary funds to carry out the purpose of this ordinance when specific funds and index codes are identified.

SECTION 5. Amounts will be transferred from available funding sources to be identified and assigned, if necessary.

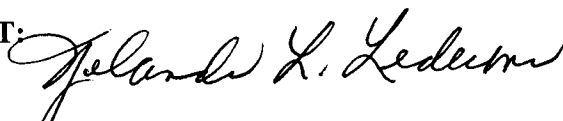
SECTION 6. The Director of Finance is authorized to record and account for the loan in accordance with Generally Accepted Accounting Principles (GAAP) and all applicable laws.

SECTION 7. This ordinance shall be immediately effective if passed by at least eight votes. Otherwise, it shall be effective on the 23rd day of March 2003.


PASSED AND APPROVED this 13th day of March 2003.


M A Y O R

ATTEST:


CITY CLERK

APPROVED AS TO FORM:


City Attorney